



# Pension Administration Strategy 2020

Effective from 1 April 2020

Version 2021.1



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## 1. Introduction

This is the Pension Administration Strategy of Greater Manchester Pension Fund (GMPF).

This document:

- confirms the purpose of the strategy and says what it is intended to achieve
- outlines the role of GMPF's scheme employers and sets out their expected levels of performance
- outlines the role of GMPF and sets out its expected levels of performance
- explains how the performance of GMPF and its employers will be monitored
- explains what actions might be taken when employers do not meet the requirements
- confirms how GMPF will communicate with its employers
- details the resources and support that is available for employers to access
- explains how employers and other stakeholders can contribute to the development of the strategy, both now and in the future.

GMPF has prepared this strategy following the Local Government Pension Scheme (LGPS) regulations and other relevant regulations, legislation and guidance, details of which are provided in appendix 1. The strategy does not override any provision or requirement set out within any of those regulations.

This Pension Administration Strategy applies to all employers in GMPF. Employers must have regard to this strategy when carrying out their role.

Tameside Metropolitan Borough Council (TMBC) is the administering authority for GMPF, as defined in the LGPS regulations.

## 2. Purpose

This Pension Administration Strategy:

- provides clarity on the key roles and responsibilities of GMPF and its employers
- sets expectations and confirms the targets that GMPF and its employers need to work to
- helps all parties to achieve regulatory compliance by providing a framework that is clear and user-friendly
- assists GMPF and its scheme employers in adhering to the Pensions Regulator's Codes of Practice
- complements procedures that help all parties to meet their data protection and data quality responsibilities
- helps to ensure all parties provide the best possible service to scheme members and other relevant stakeholders
- emphasises the importance of the shared role that GMPF and its scheme employers have in ensuring excellent service delivery to scheme members
- promotes efficient working practices, transparency and a culture of continual improvement.

An effective Pensions Administration Strategy supports GMPF and its employers to deliver on their responsibilities so that all pension fund members and stakeholders receive an excellent service.

### 3. Role of Scheme employers and their expected performance

Scheme employers and administering authorities have distinct decision-making and administrative duties under the LGPS regulations and other relevant legislation.

Employer performance has a significant impact on the overall level and quality of service provided to scheme members.

This section covers:

- 3.1 The agreed service delivery tasks and responsibilities that an employer should carry out in their role.
- 3.2 The key legislative and regulatory responsibilities of an employer.
- 3.3 Accepted methods of data exchange.
- 3.4 The additional responsibilities of those employers who use an external payroll provider.
- 3.5 The additional roles and responsibilities of those employers with access to Altair.

### *3.1 Scheme employers - agreed service delivery tasks and responsibilities*

The following expectations have been agreed to ensure GMPF and its employers work together and co-operate effectively to provide the best level of service possible to scheme members.

Employers are expected to:

- nominate a principal authorised officer for day to day pension matters and keep their GMPF contacts list up to date
- inform GMPF immediately whenever a new employer authorised officer needs to be appointed or removed from our records
- ensure GMPF are informed in any changes to contact information, such as a change of address or email details
- use the Employers section of the GMPF website to obtain and request information
- promote and highlight pension responsibilities and statutory requirements within their organisation
- consider GMPF's Communication and Engagement Strategy when communicating about GMPF and the LGPS
- support GMPF with promotional activities and in distributing communications
- encourage scheme members to use GMPF's My Pension online service
- assist GMPF in obtaining feedback and analysis that will help to improve the service provided
- have regard to GMPF employer bulletins and relevant Local Government Association and Scheme Advisory Board guidance
- comply with any request from GMPF's internal auditors, including requests for documentation or to attend an employer's offices to carry out an audit on compliance with pension duties, including follow up action
- return any legal documentation promptly and within the requested timescales
- pay any invoices for fees, fines or additional costs promptly and within the requested timescales
- keep GMPF informed of any changes that may affect its ability to meet its statutory obligations or provide the expected service to scheme members
- respond promptly to any enquiries that relate to breaches in the law
- protect member data from improper disclosure and use any information supplied by GMPF only to administer the LGPS
- keep GMPF informed of structural, governance or corporate changes that might affect its eligibility to remain an LGPS employer or that relate to the terms of its admission
- comply with the statutory duties and targets set out in Section 3.2.

### 3.2 Scheme employers - statutory duties and targets

This section outlines the key legislative and regulatory responsibilities of an employer. GMPF recommends that employers also refer to the LGPS regulations directly when undertaking their role and assessing their LGPS responsibilities. Providing accurate data in a timely way is vital to ensure compliance with the law and statutory guidance.

#### Scheme member events

Responsibility	Regulation / Legal requirement	Statutory deadline / target	Overall case target	Format of submission	Locally agreed deadline / target
<b>Joining the LGPS</b>					
Determine eligibility to join the LGPS and GMPF	The Local Government Pension Scheme Regulations 2013 (LGPSR13)  LGPSR13 - <a href="#">Regulation 3</a>	n/a	n/a	n/a	n/a
Notify new joiners to GMPF	The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013, as amended (Disclosure regulations)	New joiners must receive a notification of joining within two months of the date of joining, or within one month of GMPF receiving jobholder information or where the individual is	Notifications to the member must be sent within two months (or max. 46 working days) from date of joining	Monthly data submission, through i-Connect	<b>Joiner notifications must be on the data return for the month that the member joined, or the month after if this is not possible</b>

	Disclosure Regulations – <a href="#">Regulation 6</a>	being auto-enrolled / re-enrolled			
Nominate members to join GMPF	Applies where the employer is an admission body where nominations to admit new members are required as part of the terms of admission to GMPF	The terms as set out in the admission agreement	n/a	Form P121 must be completed and submitted to GMPF's Employer Support Team	Nominations should be made at least two months prior to the proposed date of joining to allow sufficient time for the application to be considered
Submit opt out notifications received to GMPF	Automatic enrolment legislation  Or  LGPSR13 – <a href="#">Regulation 5</a>	The employer must notify the pension scheme administrator that the person has opted out	Under auto enrolment, if the member opts out within three months of joining the employer must refund the contributions to the employee within six weeks of receiving the opt-out form or, if the payroll has already been run, by the end of the next pay period.	Monthly data submission, through i-Connect	Opt out notifications must be on the data return for the pay period that the member opted-out or the month after if this is not possible



Changes in circumstances					
Notify all changes to member details, including personal home address, hours, date of birth and breaks in membership	Under requirements of GMPF PAS  LGPSR13 - <a href="#">Regulation 59</a>	n/a	n/a	Monthly data submission, through i-Connect  Urgent address changes can be notified using spreadsheet P5.  Those submitting an online return to I-Connect must submit breaks in service using the P5 spreadsheet.	All changes should be on the monthly data return in respect of the pay period when the change in circumstances was made or the month after if this is not possible. Where circumstances do not allow this, the notification should be sent as soon as is reasonably practicable
Leavers, retirements and deaths in service					
Notify early leavers	LGPSR13 - <a href="#">Regulation 73</a>  The Occupational Pension Schemes (Preservation of	A statement of benefits should be provided no more than two months from the date of request / notification	Notifications to the member must be sent within two months (or max. 46 working days) from date of leaving	Monthly data submission, through i-Connect, plus leaver notification spreadsheet	Leaver notifications must be on the data return for the month that the member left, or the month after if this is not possible

	Benefit) Regulations 1991				
Notify immediate retirements	Disclosure Regulations - <a href="#">Regulation 20</a>	A statement of benefits should be provided no more than two months from the date of request / notification	Notifications to the member must be sent within two months (or max. 46 working days) from date of leaving	Monthly data submission, through i-Connect, plus form P71	Retirement notifications should be on the data return for the month that the member retired, or on an earlier month's return. Where this is not possible, they should be on or the month after ideally at the latest
Determine eligibility for ill health cases	LGPSR13 - <a href="#">Regulation 35</a> & <a href="#">38</a>	n/a	n/a	Form P72 should be submitted	The form should be received within ten working days of the decision being made
Review the payment of Tier 3 ill health retirements	LGPSR13 - <a href="#">Regulation 37</a>	n/a	n/a	n/a	n/a
Notify deaths in service and determine eligibility for survivor benefits	Disclosure Regulations - <a href="#">Regulation 21</a>	Information must be provided as soon as possible, but no later than two months from notification	Notifications to the dependant must be sent within two months (or max. 46 working days)	Monthly data submission, through i-Connect, plus form P74a-d	A call should be made or email sent immediately to notify GMPF. Forms should be sent as soon as possible. Death in service notifications must be on the data return

			from date of notification		for the month that the member died, or the following month at the latest wherever possible
Estimate and pay information					
Provide pay or other information that GMPF need in order to respond to annual or lifetime allowance matters / divorce / similar enquiries	Under requirements of GMPF PAS  LGPSR13 - <a href="#">Regulation 59</a>	A statutory target may apply depending on the task	See regulations that apply for the specific case type that applies	The format of the response needed will be specified in the request	Responses are expected to be received within ten working days. However, where a member is awaiting payment (so in the case of a new retirement in particular) responses are expected within five working days. (Please note that timescales will be adjusted where appropriate, so over Christmas for example or where an employer has a significant number of requests to respond to)

## Contributions and Payments

Responsibility	Regulation	Statutory deadline / target	Format of submission	Locally agreed deadline / target
Band and re-band employee contributions	LGPSR13 - <a href="#">Regulation 9</a>	n/a	Monthly data submission, through i-Connect	<b>Details must be supplied on the monthly data return submission in respect of the pay period when the change of band was made</b> (note that alternative timeframes will be agreed for the implementation of retrospective pay awards)
Deduct employee contributions from pay (including any additional contributions)	LGPSR13 - <a href="#">Regulation 85</a>	n/a	n/a	n/a
Pay contributions during employee absences (such as assumed pensionable pay)	LGPSR13 - <a href="#">Regulation 15</a>	n/a	n/a	n/a

Pay a refund of contributions to opt outs where applicable	LGPSR13 - <a href="#">Regulation 5</a>	n/a	n/a	n/a
Pay all employee and employer contributions to GMPF	LGPSR13 - <a href="#">Regulations 67, 68 and 69</a>	Every Scheme employer must pay to the appropriate administering authority on or before such dates falling at intervals of not more than 12 months as the appropriate administering authority may determine Under the Pensions Act 2004 and the Occupational Pension Schemes (Scheme Administration) Regulations 1996.	Payments must be made by BACS transfer every month	<b>Payments must be made by BACS or CHAPS transfer by the first working day of the month following the month of deduction</b> (note that a later timescale can be agreed for the month of January)
Send a remittance advice to accompany all payments sent to GMPF	LGPSR13 - <a href="#">Regulation 69</a>	Every payment must be accompanied by a statement. An administering authority may direct that the information shall be given to the authority in such form as it specifies in the direction.	A form P8 must be sent to the Pension Accountancy team	<b>Form P8 must be received by the first working day of the month following the month of deduction</b>

Provide scheme member pay and contribution data to GMPF	LGPSR13 - <a href="#">Regulation 80</a>	n/a	Monthly data submission, through i-Connect	The data return must be submitted on the date that has been agreed and no later than by the first working day of the month following the month of deductions
Pay strain cost invoices on request	LGPSR13 - <a href="#">Regulation 68</a>	n/a	Payments must be made by BACS transfer	Payment must be received by GMPF within 30 days of the date of the invoice
Pay AVCs deductions from pay to the AVC provider	LGPSR13 - <a href="#">Regulation 67</a>	n/a	Payment must be made by BACS to the AVC provider and accompanied by the providers requested forms	Payment must reach the AVC provider by 1 <sup>st</sup> of the month or earlier if possible
Pay all other agreed payments to be made to GMPF (such as recharge payments or costs towards administration)	LGPSR13 - <a href="#">Regulation 69 &amp; 70</a>	n/a	Payments must be made by BACS transfer	Payment must be received by GMPF within 30 days of the date of the invoice
Ensure any changes to the employer contribution rate are	LGPSR13 - <a href="#">Regulation 67</a>	n/a	n/a	n/a

implemented by the effective date				
Respond to all queries sent by GMPF about any data or payments submitted	Under requirements of GMPF PAS  LGPSR13 - <a href="#">Regulation 59</a>	n/a	The format of the response needed will be specified in the request	<b>Responses are expected to be received within ten working days</b>

## Governance

Responsibility	Regulation	Statutory deadline / target	Format of submission	Locally agreed deadline / target
Appoint a nominated adjudicator for stage 1 appeals made under the internal dispute resolution procedure (IDRP)	LGPSR13 - Regulation 74	n/a	The employer does not need to notify GMPF of appointments unless specifically requested to do so	<b>The appointment should be made within one month of the employer joining GMPF or within one month of the existing adjudicator's resignation</b>
Appoint an Independent Registered Medical Practitioner (IRMP) in order to opine on ill health retirement cases	LGPSR13 - Regulation 36	n/a	Requests for approval must be made and agreed by GMPF in advance of the IRMP being used. Form P72i must be completed and submitted to GMPF's Employer Support team	<b>The form should be submitted two months in advance of the IRMP being used for the first time.</b>
Prepare and publish a Pensions Discretions policy	LGPSR13 - Regulation 60	Before the expiry of a month beginning with the date any such revisions are made, each Scheme employer must send a copy of its revised statement to each relevant	A copy of the policy, and all subsequent revisions to it must be provided to GMPF's Employer Support team	<b>A copy of the policy must be provided within one month of the employer joining GMPF and within one month of any revisions published thereafter</b>



		administering authority, and must publish its statement as revised		
Notify GMPF of any bulk / TUPE transfers that are planned	n/a	n/a	Employers should contact the Employer Support team as soon as they are aware that a bulk / TUPE transfer might take place and confirm the scheme employer(s) involved	<b>As soon as possible</b>
Notify GMPF that there is an intention to outsource services and to expect an admission agreement application from the contractor appointed, or, where there is an intention to re-let an existing contract	n/a	n/a	Employers should contact the Employer Support team as soon as they are aware that this is being considered and should confirm the scheme employer(s) involved	<b>As soon as possible</b>
Changes to the policy about the admission of new members	n/a	n/a	Employers should contact the Employer Support team to discuss this as soon as it is being considered	<b>As soon as possible</b>

Termination of admission agreements	n/a	As set out within the admission agreement or as soon as termination becomes likely	Employers should contact the Employer Support team to discuss this as soon as it appears likely	<b>As soon as possible</b>

### *3.3 Scheme employers - accepted methods of data exchange*

Employers should submit data and information to GMPF in the format referred to in the column headed 'format of submission' in the table in 3.2. Employers should speak to the relevant GMPF section to obtain approval to submit information in an alternative format.

All employers must use GMPF's data transfer system, *i-Connect*, to submit data every month. All forms should be submitted using a secure method of data transfer or by post. Other information can also be supplied by email. However, employers must consider data protection when sending information by email and take appropriate steps to ensure data breaches do not occur.

Employers with access to Altair workflow (see 3.5) must use the workflow task and comments functions to respond to queries or exchange information securely where appropriate, unless GMPF have requested a response in a different format.

### *3.4 Scheme employers - additional responsibilities of those using an external payroll provider*

A Scheme employer remains responsible for carrying out the requirements in 3.2, even if that employer decides to outsource some of its functions to a third-party provider or another part of its wider organisation.

Therefore, an employer must ensure that the third-party provider or equivalent can meet all of the employer's duties and obligations that they have been appointed to carry out.

- Employers must monitor their payroll providers to check they are meeting their responsibilities in full and we recommend employers carry out regular audits.
- Employers must explain the potential consequences to the provider if they do not comply with data requests. We recommend employers make clear the penalties they will impose for not complying.
- Employers must tell us when they change providers so that we can ensure no breaches of the law occur.

- We recommend employers ensure their payroll provider is familiar with LGPS regulations before the contract is let to ensure no breaches of the law occur.
- The employer is responsible for providing correct pay information to GMPF under LGPS regulations. An employer must ensure it always has access to historical pay information for its members, which can include pay data going back as far as the last 13 years.

### *3.5 Scheme employers - additional roles and responsibilities of those employers with access to Altair*

GMPF normally gives employers that have more than 250 contributing members' access to its pension database, called Altair. Employers need to name individual licence holders to do this. A licence holder has access to carry out certain administrative tasks and to use the Altair workflow system.

Licence holders have access to the pension records of their employer's contributing members and can:

- amend address data
- calculate retirement estimates
- monitor and process GMPF workloads using Altair workflow.

Licence holders have additional responsibilities for data protection. A separate data processing agreement outlines all duties and responsibilities that an employer with licence holders must adhere to.

Specific points of note are:

- All licence holders must complete the training provided by GMPF before they get access to Altair.
- If a licence holder cannot attend the training, another licence holder at the employer must give written assurance that in-house training will be or has been carried out.
- Licence holders must not share their access details and passwords with anyone else under any circumstances.
- GMPF will check if licences are being used and will revoke any that are not being used (or regularly used) as the number of licences available is limited.
- Licence holders must monitor their task list and keep it up to date, answering queries using Altair workflow and sending responses within the timescales.

#### *4. Role of GMPF and its expected performance*

GMPF's main role is to calculate and pay pension benefits. However, GMPF has many other duties and obligations.

This section covers:

- 4.1 The service delivery tasks and responsibilities that GMPF carries out in its role.
- 4.2 Who manages GMPF performance and how.
- 4.3 The key performance indicators used to help measure service delivery.

#### *4.1 The service delivery tasks and responsibilities that GMPF carries out in its role*

GMPF's prime responsibility is to calculate and pay benefits in line with LGPS regulations. Other key responsibilities include:

- keeping accurate pension records and data
- providing annual benefit statements to all contributing and deferred members
- providing P60s to pensioner members
- providing pension savings statements to those members who exceed the annual allowance limit
- preparing and publishing a discretions policy and keeping it up to date
- appointing a nominated adjudicator for stage 1 and stage 2 appeals made under the IDRPs.

To do these successfully, GMPF expects to:

- provide employers with a point of contact through its Employer Support team and Employer Helpline service
- keep employers informed of any matters that might affect them through its communication methods and strategy
- provide or facilitate training to all new employers or those authorised officers that are new to the LGPS or GMPF
- maintain a section of the GMPF website that contains information to support employers
- hold an annual update meeting where employers can find out about GMPF's performance and learn about work being undertaken
- issue regular surveys and hold feedback sessions to get employer views and make improvements
- let employers know if there are any proposed scheme changes, administration challenges or anything similar that they may need to be aware of
- carry out certain tasks on an employers' behalf where it is reasonable and acceptable to do so
- audit employers from time to time, carrying out spot checks and asking for evidence to support effective pension administration.

## *4.2 Who manages GMPF performance and how*

GMPF's Pension Fund Management Panel is responsible for ensuring GMPF complies with its statutory responsibilities. It also sets expectations regarding administration performance. The Local Pensions Board carries out a scrutiny role and reviews compliance with the rules.

When assessing administration performance, the Management Panel will consider:

- performance against statutory targets and key service delivery indicators (see 4.3)
- the cost of administration
- benchmarking reports to assess GMPF's performance compared to that of other pension funds
- ability to recruit to key posts
- the numbers of complaints and formal disputes received and their outcomes
- audit outcomes
- ability to deliver projects on time and to budget
- feedback received from stakeholders through surveys, the website and other channels
- feedback received from staff.

## *4.3 The key performance indicators used to help measure service delivery*

The LGPS regulations and other overriding pension legislation contain statutory targets that GMPF must meet.

Additionally, GMPF's Management Panel has set some performance standards based on the level of service that it expects to be delivered to members.

Details of these standards and our performance against them are published in the GMPF annual report.

## 5. How performance will be monitored

GMPF's Management Panel will monitor GMPF's performance and that of its employers in the following ways:

- Through regular reports to the Pension Fund Management Panel, relevant Working Groups and the Local Pensions Board.
- Through reporting and general day to day monitoring by GMPF managers and officers.
- Through reports provided to employers highlighting performance levels.
- By using the Internal Audit team to review processes and controls.
- By comparing performance against other LGPS pension funds, benchmarking key data and workloads.
- By following escalation procedures where there is non-compliance.
- By reviewing GMPF's breaches of the law log each quarter.
- By holding focus groups and forums when appropriate.

GMPF will monitor employer performance across the following key areas:

- The submission of monthly data returns.
- The payment of contributions and other payments due.
- The number of queries, along with the rate and quality of responses.
- The number of complaints received and IDRP cases upheld against the employer.
- Whether or not GMPF have received a copy of the employer's current discretions policy.
- Whether or not an employer has failed to notify GMPF of key changes or events within a reasonable timeframe.



## 6. Actions where there is non-compliance

GMPF will apply one of two escalation procedures when an employer has not met their responsibilities. These are set out in Appendices 2 and 3. GMPF will endeavour to follow these whenever employers send information or payments late or not at all.

Where GMPF has incurred additional costs due to an employer's poor performance, it will recover those costs by charging employers at the following rates:

Activity	Charges
Monthly data return submitted late*	A fixed penalty of £500 if received after the first working day of the following month, plus a further fixed penalty of £50 for every further day late after that deadline. Note that both the file and the remittance advice (form P8) must be received for no penalty to apply.
Late payment of contributions and other payments due	A fixed penalty of £500 if received after the nineteenth of the following month or after seven days of the payment due date in the case of an invoice, plus interest on the total payment due charged at one per cent above base rate calculated from the due date.
Resubmission of incorrect data	A fixed penalty of £500 plus charges to account for the officer resource used to rectify any issues charged at a minimum hourly rate of £100.
Failure to respond within the timeframe	A charge of £25 per case for each case chased after the original deadline has passed.
Failure to provide a copy of discretions policy or latest version	A fixed penalty of £500 for failing to supply a copy plus a further £100 charged on each occasion that a policy is requested or is chased by an officer and is not supplied

Failure to notify GMPF of key changes or events, including a change of payroll provider	A fixed penalty of £1000 where the change has a significant impact on administration or £500 plus a further £100 charged on each occasion that further information is requested or chased and not supplied
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\*Separate target dates may be agreed for those employers that submit weekly, fortnightly or four-weekly returns

If an employer's poor performance leads to a third-party agency issuing GMPF with financial penalties, then GMPF will recover these costs from the employer concerned.

This includes:

- Those imposed by agencies such as the Pensions Regulator for a breach of statutory duties, where the breach occurred due to the poor performance of an employer. An example would be where GMPF has not issued annual benefit statements because the employer has failed to provide member data.
- Those imposed by HMRC, such as scheme sanction charges that arise as a result of the decision of an employer. An example would be if the employer allowed a member to claim benefits that would cause GMPF to make an unauthorised payment.
- Those imposed by the Office of the Information Commissioner following a data breach where the breach was caused by the actions of an employer.

GMPF will pay the penalty but will recover it from the employer concerned. The list is not exhaustive and GMPF reserves the right to use the same principles and policy for other penalties imposed on it by outside agencies not detailed here.

In general, GMPF will apply a financial penalty where an employer fails to:

- meet the requirements of this Pensions Administration Strategy
- meet the requirements of the LGPS Regulations
- meet the requirements of other legislation.

Where this results in:

- additional work or costs for GMPF or its agents
- failure of GMPF to meet its obligations under the LGPS regulations, other legislation or guidance
- complaints by organisations or members
- appeals by members or their representatives.

In all cases, GMPF would look to consider any mitigating circumstances, such as system failure, business continuity events and so on, and take a pragmatic approach when making decisions.

GMPF would hope that any disputes could be resolved locally upon discussion. However, if these cannot be resolved, the matter would be referred to GMPF's Management Panel.

## 7. Communication, resources and available support

Employers can do many things to communicate well with GMPF to ensure an excellent service is provided to fund members. As a minimum, GMPF expects its employers to:

- inform GMPF about all changes that might affect its or GMPF's ability to meet pension obligations and deliver the required standards of service
- nominate a principal pensions authorised officer and keep their full list of contacts and authorised officers up to date
- promote and highlight the expected performance levels within their organisations to ensure managers, HR officers and so on are aware of the timescales that they need to work to and the requirements that they need to meet
- support GMPF with any promotional activities that they are carrying out, including assisting with distributing e-communications and promoting online access through *My Pension*
- assist GMPF with obtaining feedback or carrying out data analysis that will help improve the employer experience or service delivery to members
- fully support GMPF's internal auditors with any audits they wish to carry out and respond to all questions, queries and draft audit recommendations promptly by the timescales agreed
- cooperate with GMPF officers to resolve any issues, complaints or similar to a swift and agreeable conclusion.

GMPF resources and support available to employers to assist them includes:

- an employer helpline service
- an employer's section of the website
- regular information e-bulletins
- training webinars and seminars
- policy and strategy documents, including GMPF's discretions policy, communications policy, communication and engagement strategy, data strategy and annual report
- a GDPR memorandum of understanding for employers (see *appendix 4*)

- Altair usage and data sharing agreements
- procedures for providing feedback or escalating issues
- employer support meetings and conference calls

GMPF will signpost employers to other resources and communications that may assist them in their role.

This includes guidance from the Local Government Association (LGA), the LGPS Scheme Advisory Board (SAB) and GMPF's fund actuary.

## 8. Feedback and review process

Regulation 59 of the Local Government Pension Scheme (LGPS) Regulations 2013 is the regulation that allows GMPF to create this strategy. Regulation 59 states that on creating or revising its strategy, the administering authority must consult with its employers.

GMPF will consult with employers whenever it changes the Pension Administration Strategy (except where there are minor or corrective amendments only). The consultation period will normally be eight weeks.

The GMPF Management Panel must approve the Pension Administration Strategy before it is published.

GMPF will review and update it each year in line with the annual review of all GMPF pension administration policies and strategies. It will also be reviewed:

- whenever there are regulatory changes
- if it is impacted by changes to other legislation or guidance
- if there are changes to policies, statements or strategies that affect its contents
- when there are operational changes.

Once approved, GMPF will publish the final version to the employers' section of the website and a link will be circulated to all GMPF employers and the Secretary of State.

If you have a question or comment about any aspect of this Pension Administration Strategy, please contact GMPF's Employer Liaison team.

## Appendix 1 – Relevant regulations and guidance

Regulations and other legislation governing the strategy include:

- The Local Government Pension Scheme 1995, 1997 and 2008 Regulations as they still have effect in part
- The Local Government Pension Scheme (Transitional Protection) Regulations 2014
- The Local Government Pension Scheme Regulations 2013 in force now or as amended and in force at any future date
- The Public Sector Pensions Act 2013
- The Pensions Act 1993
- The Pensions Act 1995
- The Pensions Act 2004
- The Pensions Act 2014
- The 2004, 2006 and 2014 Finance Acts
- The Occupational & Personal Pension Schemes (Disclosure of Information) Regulations in force and as amended
- The Occupational Pension Schemes (Transfer Values) Regulations in force and as amended

This list is not exhaustive and other Legislation and Regulations may and will apply in certain specific circumstances.

In accordance with the Public Sector Pensions Act 2015, the LGPS is regulated by the Pensions Regulator. GMPF and its employers are also required to comply with regulatory guidance or Code of Practice issued by the Pensions Regulator.

### *Pension Administration Strategy*

The Local Government Pension Scheme Regulations 2013 (Regulation 59 (1)) enables a LGPS administering authority to prepare a written statement of the Administering Authority's policies in relation to such matters mentioned in Regulation 59 (2) that it considers appropriate.

The regulation says that this written statement shall be known as the "Pension Administration Strategy" and shall include the following:

- Procedures for liaison and communications between the administering authority and Scheme employers ("its Scheme employers);

- The establishment of levels of performance which the administering authority and its Scheme employers are expected to achieve in carrying out their Scheme functions (“Service Level Agreements (SLA)”). These functions are:
  - (i) the setting of performance targets,
  - (ii) the making of agreements about levels of performance and associated matters, or
  - (iii) such other means as the administering authority considers appropriate.
- Procedures which aim to secure that the administering authority and its Scheme employers comply with statutory requirements in respect of those functions and with any agreement about levels of performance;
- Procedures for improving the communications by the administering authority and its Scheme employers to each other of information relating to those functions;
- The circumstances in which the administering authority may consider giving written notice to any of its Scheme employers under these regulations (additional costs arising from the Scheme employer’s level of performance) on account of that employer’s unsatisfactory performance in carrying out its Scheme functions when measured against levels of performance established under the SLA;
- The publication by the administering authority of annual reports dealing with:
  - (i) the extent to which the administering authority and its Scheme employers have achieved the level of performance established under the SLA;
  - (ii) such other matters arising from The Pension Administration Strategy as the administering authority considers appropriate.
- Such other matters as appear to the administering authority after consulting its Scheme employers and such other persons as it considers appropriate, to be suitable for inclusion in the Pension Administration Strategy.

In addition Regulations 59 (3 -7) requires that:

- Where the administering authority produces a Pension Administration Strategy, it is kept under review and revised where appropriate;
- When reviewing or revising the Pension Administration Strategy the administering authority must consult with its Scheme employers and such other persons it considers appropriate;
- Where the administering authority produces a Pension Administration Strategy or revises that strategy it must send a copy of it to each Scheme employer and to the Secretary of State;
- The administering authority and Scheme employers must have regard to the Pension Administration Strategy when carrying out functions under the LGPS regulations.



Regulation 60 requires each employer to publish its discretion on:

- funding additional pension [16(2)(e) and 16(4)9d]
- flexible retirement [30(6)]
- waiving actuarial reductions [30(8)]
- the award of additional pension [31] and, in addition,

Regulation 14 of the Local Government (Discretionary Payments)(Injury Allowances) Regulations 2011 requires employers to publish and keep under review its policy on these regulations. There are also a number of discretionary discretions under the current regulations and some mandatory discretions under previous sets of regulations. GMPF's Employer Support team can support with discretion policies upon request.

### *Recovering costs due to poor performance*

Regulation 70 of the Local Government Pension Scheme Regulations 2013 enables the administering authority to recover additional costs from a Scheme employer when, in the opinion of the administering authority, it has incurred additional costs because of the poor performance of the Scheme employer in relation to the Pension Administration Strategy.

The administering authority may give written notice to the Scheme employer stating:

- the administering authority's reasons for forming the opinion;
- the amount the administering authority has determined the Scheme employer should pay under Regulation 69 (1) (d) in respect of those costs and the basis on which the specified amount is calculated;
- the provisions of the Pension Administration Strategy which are relevant to the decision to give the notice.

GMPF has determined that it will apply a number of financial penalties for noncompliance with the requirements of this Administration Strategy under Regulation 70.

If financial penalties are levied, GMPF will issue an invoice to the employer confirming the costs due. The invoice will include a breakdown of the costs and details of the bank account into which the employer must pay. Payment will be due within 30 days of the date of issue. GMPF will provide details of how to query or appeal the amounts that GMPF are levying.

## Appendix 2 – Escalation procedure for non-provision or late provision of information

Where employers have not met the target dates and deadlines for information as set out in the table in section 3.2, the following procedures will be followed:

### 1. *Failure to send the monthly data submission by the due date*

Timeline (all days are working days, due date = 0)	Status	Action	GMPF Responsible Officer	Employer contact level	Register monitoring log / update
0 - 7 days		Email to be sent to employers reminding them of the due date for data submission	Emails sent automatically by i-Connect	Data submission contact	N/A
0 + 3 days	On watch	Email to be sent to employer reminding them that the submission due date is overdue and now classed as 'late'	Emails sent automatically by i-Connect	Data submission contact	Yes, unless exceptional circumstances apply
0 + 14 days	Enhanced watch	Email to confirm that the employer is in breach and is likely to be included on GMPF's breaches of the law log	Employer Support Team Manager / Section Manager	Most senior contact / finance contact at employer as appropriate	Yes
0 + 17 days	Enhanced watch	Telephone call and email to confirm that the employer is in breach and will be included on GMPF's breaches of the law log	Employer Support Section Manager / Head of Pensions	Most senior contact / finance contact at employer as appropriate	Yes

0 + 17 days to 0 + 23 days or more	Enhanced watch	Referred to the GMPF breaches of the law group to discuss and agree the next steps	Breaches of the law group		Yes
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2. *Failure to submit all other documentation or respond to queries by the expected date*

Timeline (all days are working days, due date or date query raised = 0)	Status	Action	GMPF Responsible Officer	Employer contact level	Register monitoring log / update
0 + 7 days		Reminder to be sent to employer	Pension Officer	Employer Pensions Contact	N/A
0 + 17 days		Employer contacted again to agree a final response date	Senior Pension Officer / Team Manager	Employer Pensions Contact	N/A
0 + 24 days	On watch	Employer to be contacted again escalated to a senior contact	Team Manager / Section Manager	Senior contact / manager at employer as appropriate	Yes, unless exceptional circumstances apply
0 + 31 days	On watch	Employer to be contacted again and escalated	Team Manager / Section Manager	Payroll / Pensions / Finance Manager at	Yes, unless exceptional circumstances apply

				employer as appropriate	
0 + 34 days or more	Enhanced watch	Referred to the GMPF breaches of the law group to discuss and agree the next steps	Breaches of the law group		Yes

## Potential courses of action

We should confirm the information we need and give you a proposed time scale at each stage of the escalation process. We should also tell you the next steps in the process if you do not send the information within the proposed timescale. For example, if the next step is for us to refer the item to a more senior manager within GMPF or at the employer, then this should be explained to you.

It may be that you need additional support from us to be able to provide the information. Wherever we can, we will provide you with this support. We will record details on a performance monitoring log or breaches of the law log when we have designated an employer as being 'On watch' or 'Enhanced watch'. Other potential courses of action are:

Status Level	Potential Courses of Action
On watch	<p>Range of outcomes include:</p> <ul style="list-style-type: none"> <li>• Financial penalties imposed</li> <li>• Meeting with senior officers from GMPF</li> <li>• Deadlines imposed for resolution of issues</li> <li>• Tameside MBC Internal Audit to support the employer to assess and improve pensions processes</li> <li>• Officers required to attend mandatory training</li> <li>• Request for written information to be submitted to the Pensions Administration Working Group</li> </ul>
Enhanced watch	<p>Range of outcomes include:</p> <ul style="list-style-type: none"> <li>• Financial penalties imposed</li> <li>• The employer is asked to attend Pensions Administration Working Group and provide a verbal update regarding improvements</li> <li>• Individual members affected are written to informing them about the issue</li> <li>• Executive Director referral for meeting with Chief Executive</li> <li>• Report unsatisfactory performance to the Pensions Regulator</li> <li>• Review of Admission Agreement (for admitted bodies only)</li> </ul>

### Appendix 3 – Escalation procedure for non-payment or late payment

Where employers have not met the target dates and deadlines for payments as set out in the table in section 3.2, the following procedures will be followed:

Timeline (all days are working days, payment due date = 0)	Status	Action	GMPF Responsible Officer	Employer contact level	Register monitoring log / update
0 + 7 days		Employer to be contacted to remind that the payment is now overdue	Accountancy Officer	Employer Contact	N/A
0 + 17 days	On watch	Employer contacted again to agree a final payment date	Accountancy Officer	Senior Employer Contact	Possibly
0 + 21 days	Enhanced watch	Employer to be contacted again but escalated to a senior contact	Team Manager / Section Manager	Senior contact / Finance Manager at employer as appropriate	Yes
0 + 24 days or more	Enhanced watch	Referred to the GMPF breaches of the law group to discuss and agree the next steps	Breaches of the law group		Yes

The potential courses of action are the same as those listed in appendix 2.

## Appendix 4 – Memorandum of understanding regarding data exchange

GMPF needs to send and receive personal data all the time due to the nature of its work.

Information about how we meet data protection legislation is set out on our website.

We will have put controls in place to ensure we meet the data security standards we believe are required to fulfil our duties. We expect employers to respect and adhere to these controls and to work with us to ensure the measures in place are as strong as possible. This may include signing authorisation documents and checking authorisation agreements, amongst other things.

We also expect all employers to comply fully with the data protection regulations, to obtain consent from individuals when required and use data only for the purposes for which they obtained it.

If you believe that we are failing in our duties as a data controller or if you believe that we could further strengthen the data security controls we have in place, we expect you to let us know as a matter of urgency so that we can take the necessary action.

## Appendix 5 – Further sources of information

There is lots of information on the GMPF website.

Supporting documents include:

- The charging schedule for other costs
- Communications Policy and the Communications and Engagement Strategy
- A document outlining administering authority discretions
- The Governance Compliance Statement
- The Funding Strategy Statement
- General information for members of the LGPS

The website address for the central LGPS website for employers and pension funds in England and Wales is <http://www.lgpsregs.org/>

This website contains particularly useful guides for employers regarding human resources, payroll and auto enrolment.

You may also find information held on The Pension Regulator's website useful, especially around auto enrolment responsibilities. This website can be found at <https://www.thepensionsregulator.gov.uk/en>



